BEFORE THE SECURITIES COMMISSIONER

STATE OF COLORADO

Case No. XY 14 - CD - 10

STIPULATION FOR CONSENT CEASE AND DESIST ORDER CONCERNING NEW BODY MD, LLC AND RICK A. FRISK

IN THE MATTER OF NEW BODY MD, LLC AND RICK A. FRISK

The staff of the Colorado Division of Securities ("Staff") and Respondents New Body MD, LLC and Rick A. Frisk ("Respondents") hereby enter into this Stipulation for Consent Cease and Desist Order in this matter as follows:

- 1. Pursuant to the authority provided in §11-51-601, C.R.S., the Staff conducted an investigation into the Respondents' offer and sale of certain securities in Colorado. Based on its investigation, the Staff alleges as follows:
 - a. From approximately September 9, 2011 to approximately May 31, 2013, the Respondents engaged in offering and selling securities;
 - b. The offers and sales included at least one offer and sale of a note to an elderly Colorado investor on, or about, April 13, 2013;
 - c. The note was a three year promissory note, with warrants, for which the investor paid \$75,000.00;
 - d. The terms of the note included, but were not limited to, promises to accrue interest on the unpaid balance at an annual interest rate of 12% and to pay such interest to the investor on a quarterly basis;
 - e. To conduct the offer and sale to the Colorado investor, the Respondents engaged in a practice of using an unlicensed sales representative;
 - f. Pursuant to the sale of the note to the Colorado investor, the Respondents paid the unlicensed sales representative a commission of \$11,250.00 (15%);
 - g. The investment opportunity constituted at least the offer and sale of a "note", which is defined as a security under §11-51-201 (17) C.R.S;
 - h. The Respondents' securities offering was not registered with the Securities Commissioner, nor it exempt from registration; and
 - i. The offer was performed in violation of §11-51-301 C.R.S.
- 2. The Respondents have cooperated with the Staff in the investigation of this matter and affirm that there is only one Colorado investor in the offering.

The Staff and the Respondents desire to resolve this matter without further litigation and, prior to the entry of a final order by the Securities Commissioner, hereby stipulate and agree as follows:

- 3. The Securities Commissioner for the State of Colorado has jurisdiction over the Respondents and the subject matter of this action.
- 4. The Respondents agree to the entry of a Consent Order in the form attached hereto as Exhibit A and incorporated herein by reference.
- 5. The Respondents affirmatively represent that they have the ability to pay restitution to the Colorado investor and agree to make full payment of restitution as follows:
 - a. The Respondents agree to rescind the investment by paying restitution in full in the amount of \$75,000.00 to the Colorado investor on, or before, May 31, 2014.
 - b. The Respondents agree that payment of full restitution shall be made by paying at least \$25,000.00 per month to the Colorado investor, on or before, the last day of each month for March, April and May of 2014.
 - c. Within two days of the date that any payment is sent to the Colorado investor, Respondents shall submit to the Staff true copies of documents, including the copy of the check, which verify that payment was made as required. Failure to make timely payments as required herein shall constitute a violation of this Consent Order and grounds for further sanctions and formal proceedings against them for such violation.
- 6. By entering into this Stipulation, the Respondents neither admit nor deny that the allegations and grounds set forth in this Stipulation are true.
- 7. By entering into this Stipulation, the Respondents understand that they have the right to notice and a formal hearing pursuant to §11-51-606(1) and (1.5), C.R.S., the right to be represented by counsel of their choice, the right to present a defense through oral or documentary evidence and to cross-examine witnesses and to findings required by §11-51-606(1.5), C.R.S., at such hearing. By entering into this Stipulation, the Respondents expressly waive the rights set forth in this Paragraph 6, and further waive the right to seek judicial review of the Cease and Desist Consent Order entered pursuant to this Stipulation.
- 8. The Respondents acknowledge that they have entered into this Stipulation voluntarily, after the opportunity to consult with counsel of their choice, and with the understanding of the legal consequences of this Stipulation and Consent Cease and Desist Order.
- 9. The Respondents hereby waive the findings required by § 11-51-606(1.5)(d)(IV), C.R.S.; and, pursuant to § 11-51-704(2), C.R.S., agree that the entry of this Consent Cease and Desist Order is necessary and appropriate in the public interest and is consistent with the purposes and provisions of the Act.

10. The Respondents further acknowledge that any violation of this Stipulation or Consent Order when issued may constitute grounds for further sanctions and formal proceedings against them for such violation.

NEW BODY MD, LLC	
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RICK A. FRISK, Managing Member/Chief on behalf of New Body MD, LLC	Executive Officer
Subscribed and sworn before me this 7^{tb} da	y of <i>January</i> , 2014 by Rick A. Frisk.
Notary Public My A	Notary Public State of Washington MICHAEL J VARGA ppointment Expires May 20, 2017
RICK A. FRISK	
RICK A. FRISK	
Subscribed and sworn before me this 1th da	ay of January, 2014 by Rick A. Frisk.
Michael Vaya Notary Public My App	Notary Public State of Washington MICHAEL J VARGA ointment Expires May 20, 2017

THE STAFF OF THE DIVISION OF SECURITIES

Rhea Babcock

Chief Investigator